REMARKS

Telephone Interview

Applicants would like to thank the Examiner for telephone interview on May 23, 2005. During a telephone conversation on March 23, 2005, Examiner Landsman explained that claims directed to chondrocyte proliferation and chondrocyte re-differentiation utilities would likely be viewed favorably. Accordingly, without acquiescing to the Examiner's position, the undersigned attorney hereby cancels Claims 53-62 without prejudice.

The Present Amendments

The foregoing amendments to the claims are of formal nature, and do not add new matter.

Per Examiner's request, Applicants have canceled Claims 53-62. In addition, Applicants have amended Claims 28-31 and 48-51 to recite an isolated nucleic acid having at least 80%, 85%, 90% and 95% nucleic acid sequence identity to the nucleic acid sequence of SEQ ID NO:333. Claims 32 and 52 have been amended to clarify what Applicants have always regarded as their invention

The amendments to the claims are fully supported by the specification and claims as originally filed and do not constitute new matter.

CONCLUSION

Upon entry of the present amendment, the present application is believed to be in *prima* facie condition for allowance, and an early action to that effect is respectfully solicited. Should the Examiner find that there are any further issues outstanding, she is respectfully invited to contact the undersigned attorney in order to arrange a personal interview.

The Commissioner is hereby authorized to charge any fees, including any fees for extension of time, or credit overpayment to Deposit Account No. <u>08-1641</u> (Attorney's Docket No. <u>39780-2830 P1C62</u>). Please direct any calls in connection with this application to the undersigned at the number provided below.

Respectfully submitted,

Date: March 23, 2005

Anna L. Barry (Reg. No. 51,436)

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